



## ACCOMMODATIONS TAX ADVISORY COMMITTEE

11:00am, Tuesday, March 7, 2023

1207 Palm Boulevard, Isle of Palms, SC

### MINUTES

#### 1. **Call to order**

**Present:** Doug Truslow, Ray Burns, Barb Bergwerf, Rebecca Kovalich, Chrissy Lorenz

**Absent:** Chas Akers, Gloria Clarke

**Staff Present:** Administrator Fragoso

#### 2. **Approval of previous meeting's minutes – February 14, 2023**

Ms. Bergwerf made a motion to approve the minutes of the February 14, 2023 meeting, and Ms. Lorenz seconded the motion. The motion passed unanimously.

#### 3. **Old Business**

##### **Update from the CVB**

Ms. Catherine Doughty of Charleston Visitor's Bureau reported on the VRBO campaign executed on behalf of the Isle of Palms. She said that VRBO told her, "Since COVID, this is the largest percentage they have seen of a 90-day booking window for units that were booked."

She said people are making decisions further out. The most popular length of stay was 3-5 days followed by 6-9 days. Over 2900 room nights were booked resulting in \$2.7 million in revenue. The average daily rate was \$2,387.15.

The CVB would like to spend \$25,000 on the next 6-week campaign beginning this week. After some discussion, 25% of the campaign will be directed towards bookings in the current quarter and 75% towards later in the year. Ad images will include families and multi-person groupings.

Ms. Doughty also gave a social media metrics review. She shared pictures from a photography project recently undertaken on behalf of IOP hotels and IOP-related images in Explore CHS publications.

#### 4. **Financial Statements**

Treasurer Suggs said the ATAX fund balance is \$4 million. The first two quarterly payments from State ATAX have been received. These payments are used in planning the FY24 budget.

She reviewed the operating expenditures to date.

5. **New Business**

A. **Discussion of draft FY24 State ATAX Budget**

Treasurer Suggs reviewed the items in the FY24 State ATAX Budget. Administrator Fragoso suggested keeping the \$50,000 for sponsorships in the budget for the Committee to consider other applications or to develop other initiatives. After some discussion, the Committee agreed to keep the \$50,000 in the FY24 budget.

Committee members discussed some ideas for additions to the ATAX budget including several regarding beautification around the island.

B. **Discussion and consideration of applications received for State ATAX funding**

**MOTION: Mr. Truslow made a motion to approve the application from the VFW in the amount of \$5,000. Ms. Bergwerf seconded the motion. The motion passed unanimously.**

**MOTION: Mr. Truslow made a motion to defer the approval of the Make-a-Wish Foundation application until after their upcoming event to allow them to provide room booking information to the Committee. Ms. Lorenz seconded the motion.**

Mr. Truslow expressed concern that this is a new request from this organization and they have no history of the success of the event for which they are requesting funding. Administrator Fragoso pointed out that many of the requests made of the Committee are forward looking.

Ms. Bergwerf asked if a precedent was being created by asking new groups or events to provide data they do not have. Of the Make-A-Wish Foundation, she said, "Obviously it is a reputable organization who had done a lot of planning, and I think their reputation precedes them for us to give them \$5000. But, again, if we don't, anyone who comes in with a new event can't get the money. It's like a Catch-22. They can't get the money because they have no experience. They cannot get the experience because they cannot get the money. Just a thought."

Administrator Fragoso said, "That is why when we started discussing revising the guidelines for the application, one of the suggestions I made was to include a requirement for a final report so that you can show at the end of the year, whether it is a new or recurring, existing event or initiative, how the fund were used. That is the way we do that. You have a report and if you met the requirements of the application then you can have the money. If not, then you would have to refund it to the City or not be considered in the future. But I agree. It would be something to think about if you are creating an expectation if there is a degree of information that an event or organization may not be able to provide for their first year's event."

Mr. Truslow withdrew his motion and Ms. Lorenz withdrew her second. Data from the Make-A-Wish Foundation's March event will be reviewed at the next ATAX Committee meeting prior to the approval of the FY24 ATAX budget. A vote on their application will take place at that meeting.

**4. Adjournment**

The ATAX Committee will meet on Tuesday, May 10, 2023 at 11am.

Mr. Truslow made a motion to adjourn, and Ms. Lorenz seconded the motion. The meeting was adjourned at 12:10pm.

Respectfully submitted,

Nicole DeNeane  
City Clerk